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Area Redevelopment Administration

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A SUMMARY REPORT

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U. S. DEPARTMENT OF COMMERCE
Area Redevelopment Administration

the
Geographic
Mobility
of Labor:

A SUMMARY REPORT

U. S. DEPARTMENT OF COMMERCE

Luther H. Hodges, *Secretary*

AREA REDEVELOPMENT ADMINISTRATION

William L. Batt, Jr., *Administrator*

September / 1964



FOREWORD

The Area Redevelopment Act of 1961 (Public Law 87-27) directs the establishment and conduct of a "continuing program of study and research designed to assist in the causes of unemployment, underemployment, underdevelopment and chronic depression in the various areas of the Nation and the formulation and implementation of national, State and local programs which will raise income levels and otherwise produce solutions of the problems resulting from these conditions."

The Economic Analysis Division, Office of Planning and Research of the Area Redevelopment Administration, U. S. Department of Commerce, sponsors and directs ARA economic research, and publishes the resulting studies.

This summary report on geographic mobility of labor was prepared under contract for the Area Redevelopment Administration by John B. Lansing and Nancy Barth of the staff of the Survey Research Center of the University of Michigan. It is based on a comprehensive study of the "Geographic Mobility of Labor" which was jointly sponsored by the U. S. Department of Commerce, Area Redevelopment Administration; U. S. Department of Health, Education and Welfare, Social Security Administration; and the U. S. Department of Labor, Bureau of Employment Security. The conclusions contained in this report are those of the authors.

William L. Batt, Jr., *Administrator*
Area Redevelopment Administration

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INTRODUCTION

The main topics considered are mobility of people in the United States in general and of people in redevelopment areas in particular. The data were collected in personal interviews by the interviewing staff of the Survey Research Center in two national cross-sections taken in August-September and November-December, 1962. These 2669 interviews were supplemented by 432 extra interviews taken in redevelopment areas in September-October of 1962. It should be kept in mind that all results reported here are subject to sampling error and are not meant to be interpreted as precise figures.

A. Other Studies of Mobility

Economists have studied local labor market areas intensively. They have investigated both the internal workings of the markets and the movement in or out of particular markets on such occasions as the shut-down of a plant. Studies have been made of the geographic mobility of special groups of workers, such as particular occupation groups. There is an extensive literature on migration based primarily on the analysis of Census data. No major contradictions have been found between the results of these various investigations and the results of the present inquiry. There is agreement, as it was expected there would be agreement, that young people are more mobile geographically than old people, that highly educated people are more mobile than poorly educated people, that people in high status occupations have high mobility rates, and that Negroes in recent years have been less mobile between labor markets than whites.

The novel contribution of this research consists in the filling in of gaps in knowledge by the provision of information which did not exist about mobility, existed only for part of the population of movers, or was known or surmised only vaguely or in general outline. This information concerns the process of moving, including the sequence of events in the move, the sources of information used and their usefulness, and people's evaluation of their moves after the event. New information was obtained about people's motivation for moving and willingness to move, the relation of unemployment to mobility, and the repetitive character of mobility.¹ Similarities and differences between redevelop-

¹ The only previous data on a national sample concerning reasons for migration were collected by the Census in 1946. See Henry S. Shryock, Jr., *Population Mobility Within the United States*, 1964, ch. 12, pp. 403-409.

ment areas and other parts of the country were also studied more intensively than had been possible heretofore.

B. Geographic Mobility Defined

In this study mobility is defined to include only moves across the boundaries of labor market areas. In sections of the United States where labor markets have not yet been defined, county boundaries are used. It was decided to use labor market boundaries where possible, rather than political boundaries, because the mobility of people in the labor force is the main point of interest.

It must be pointed out, however, that by defining mobility in this manner, difficult questions were circumvented. In his essay on "The Balkanization of Labor Markets" Clark Kerr defined a labor market as ". . . an area with indistinct geographical and occupational limits within which certain workers customarily seek to offer their services and certain employers to purchase them."² He went on to point out the importance of non-competing occupational groups, that is, of skill gaps as well as distance gaps between sub-markets. While the definition of a single set of labor market areas for all types of occupations is administratively convenient or even necessary, for highly trained personnel an economist might argue that the skill gap is likely to be more important than the distance gap. Nevertheless, the distance gap does exist and it is reasonable to consider separately those areas within which people can change employers without moving their place of residence.

The data used in this study were gathered by means of extensive personal interviews. When a family was selected for interview, the head of the family or the wife of the family head was designated as the respondent on a random basis. Questions asked during the interview covered not only the mobility history of the family head, but also such characteristics as age, income, occupation and education.

The tables and graphs contained in this report are based on simple cross-tabulations of the data. Such two-way tabulations should bring out the important relationships and indicate where future analysis would be most fruitful.

² See the collection of essays, *Labor Mobility and Economic Opportunity*, by E. Wight Bakke, et.al., 1954, p. 93.

C. The Economic Significance of Mobility

Viewed as an economic process, the geographic mobility of labor is a means by which the supply of labor may be adjusted among labor markets. If a surplus of labor exists in one area and a shortage of labor in another, or if there are wage differentials between areas, then there should be a tendency for workers to move. Over time, of course, labor requirements in an area do not stay the same; areas of labor shortage may become areas with labor surpluses and vice versa. In addition, although the total number of workers in an area may be large enough, workers with a particular skill may be in short supply. This shortage may be met by the migration of workers with this skill from an area where the skill is not in demand and where the rate of pay for that skill is likely to be lower. There may exist in one area at the same time a shortage of certain skills and a surplus of unskilled labor.³

Job transfers: When discussing the adjustments of the supply and demand for labor by means of mobility, special attention should be given to job transfers. Undoubtedly in most cases a company is balancing its own labor shortages and surpluses when it transfers employees. However, several factors present in job transfer situations set them aside from the general mobility of labor.

First, job transfers are usually initiated by the employer, and the employee is not entirely free to choose his destination. The employer is more likely to wish to transfer trained personnel than unskilled labor. In addition, considerations which play an important role in most mobility decisions are largely taken care of in transfers. The employee is likely to be better informed about his new job than if he were changing to a new employer. Also, the employer may pay for the move. For a more complete discussion of this last point see "The Cost of Geographic Mobility", another in this series of reports for the Area Redevelopment Administration.

³ The existence of "in-migration" and "out-migration" in one year from the same area, such as a state, is familiar to students of migration. For example, from 1949 to 1950 Illinois, which had a net "out-migration" rate of 0.3, had a gross "out-migration" rate of 2.5 and an "in-migration" rate of 2.2 See Shryock, *op. cit.*, p. 198 and *passim*.

THE EXTENT OF GEOGRAPHIC MOBILITY

A. The Frequency of Geographic Mobility

While in any one year only about 5 percent of the population are mobile in the sense of moving between labor market areas, in the course of a lifetime most people move from the area where they were born. Of all heads of families, only about 35 percent were born in the area where they are now living, and of these 35 percent about one in four has lived elsewhere at some time:

<i>Whether Born in Area Where Now Living</i>	<i>Percent of Family Heads</i>
<i>Head born in area where now living</i>	35
At one time lived elsewhere	8
Never lived elsewhere	27
<i>Head not born in area where now living</i>	64
<i>Not ascertained</i>	1
	<hr/>
Total	100

These results may be compared with the finding in the 1960 Census that of the entire population aged 5 or over (in contrast to heads of families) about 33 percent were no longer living in the state of their birth.

In this study special attention is given to moves made by the head of the family since 1950. A summary description of the past mobility of heads of families in the United States is shown below:

<i>Past Mobility</i>	<i>Percent of Family Heads</i>
Moved to present area within 5 years	16
Have moved since 1950, but not in last five years	13
Have been in present area since 1950, but born elsewhere	38
Have been in present area since 1950, born there, but once lived elsewhere	5
Have been in present area since 1950, born there, never lived elsewhere	27
Not ascertained	1
	<hr/>
Total	100

Of all heads of families 29 percent report that they have moved since 1950:

<i>Number of Labor Market Areas Lived in Since 1950</i>	<i>Percent of Family Heads</i>
No moves since 1950	71
Two labor market areas	15
Three labor market areas	7
Four labor market areas	3
Five labor market areas	2
Six or more labor market areas	2
	—
Total	100

These estimates of frequency of mobility, of course, depend on the exact definition of mobility used in this study. It was necessary to distinguish between true moves across labor market area boundaries and trips. Temporary changes in residence, such as going to a vacation home, were not counted as moves. Leaving home to enter the armed services was considered a move, and the return home as a second move, but shifts to different posts while in the armed forces were not included. Going away to college was similarly treated. A more restrictive set of rules, e.g. not including going away to college as a move, would result in lower estimates of mobility.

B. Number of People Making the Move

About half of all the most recent moves in the last five years involved a married couple plus children. Only about two out of ten moves involved a single individual:

<i>Who Made the Move</i>	<i>Percent of Most Recent Moves</i>
Head of the family only	22
Married Couple	21
Married couple plus children	50
Head plus children	4
Other combinations of family members	3
	—
Total	100

Mobility between labor market areas, thus, is for the most part the movement of families.

C. Distance Moved

A surprisingly large proportion (22 percent) of all heads of families are living a thousand miles or more from their birthplace:

<i>Distance (miles)</i>	<i>Per Cent of Family Heads</i>
<i>Now living in place of birth</i>	35
<i>Have moved from birthplace</i>	65
Under 50	10
50 - 99	6
100 - 199	10
200 - 299	5
300 - 499	5
500 - 999	7
1000 or more	22
	—
Total	100

In addition to the 35 percent living in their place of birth 16 percent are living in nearby localities so that altogether half are within 100 miles of where they were born.

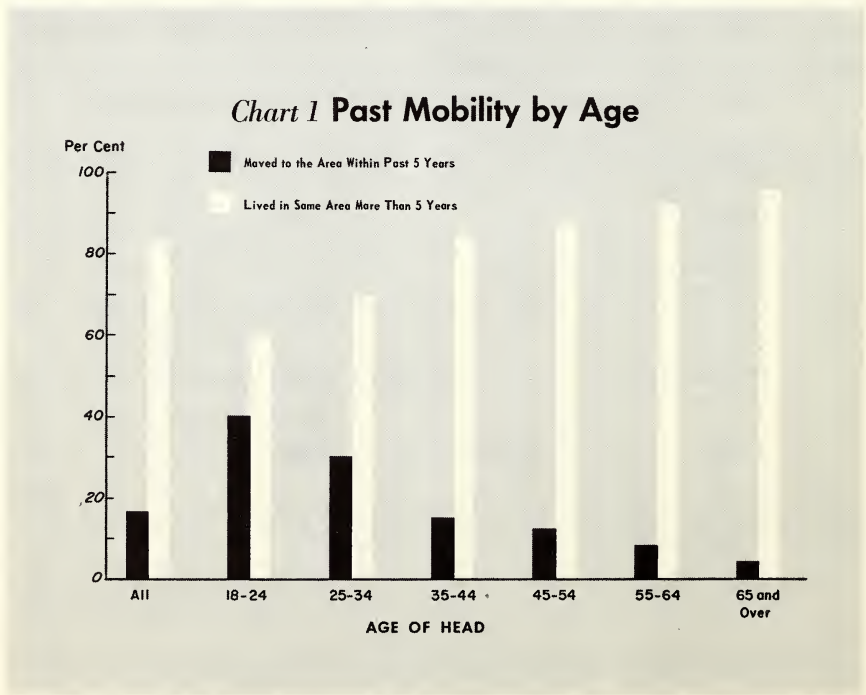
The distribution of distances of the most recent moves is somewhat different. As would be expected, the most recent moves tend to be shorter than overall lifetime mobility:

<i>Distance (miles)</i>	<i>Percent of Most Recent Moves</i>
Under 50	20
50 - 90	14
100 - 190	17
200 - 390	17
400 - 590	10
600 - 990	8
1000 or more	14
	—
Total	100

However, even of the most recent moves 14 percent were over 1000 miles in length. About half of the moves were 200 miles or more.

THE MAJOR DETERMINANTS OF GEOGRAPHIC MOBILITY

A major purpose of this study is to contribute to existing knowledge regarding the determinants of geographic mobility, i.e. what factors characterize movers? There are some problems involved in trying to isolate determinants of mobility; one difficulty is that measurements of relevant characteristics are made only at the time of interview rather than prior to the move. Thus, for certain variables like income, it is difficult to say whether they are causes or consequences of the move. This problem is overcome in part by considering as a dependent variable not only past mobility but plans for future moves which exist at the time of interview, and by re-interviewing people after some time to determine mobility subsequent to the original measurements. Data on mobility gathered by reinterviews in this manner, were presented in the third



report for the Area Redevelopment Administration, *The Propensity to Move*. These reinterviews came a year after the initial questionnaires which collected the basic socio-economic and attitudinal data.

A. Demographic Characteristics Associated with Mobility

The strong relationship between age and mobility is shown in Chart 1. Of those heads of families aged 18-24, 40 percent moved to the area where they now live within the last five years. Of those aged 65 or over, only 4 percent moved to their present area within the last five years.

The more education the head of the family has, the more likely he is to have moved to a different labor market in the last five years. As young people tend to be better educated than their elders, the tabulation of mobility by education was done separately for heads of families under 35. Of those under 35 with a college degree, about 45 percent have moved within five years (Chart 2). This compares with 23 percent of those with a grade school education or less who have moved in the last five years. Under some circumstances, however, there may be variations in the migration rate by education. In the period 1940-1947 and within the age group 25-34 a larger proportion of the very lowest education level migrated than of those with a junior high school education. Bogue reports the following rates:⁴

<i>Education</i>	<i>Migration 1940 - 1947 (percent)</i>
Under 7 years	27.2
Under 7-8 years	21.8
9 - 11 years	26.9
12 years	29.7
College	45.6

During the war years, there was a large movement of unskilled labor, but even in that period, the main tendency was for the rate of mobility to increase with level of education.

Certain parts of the United States have been designated as redevelopment areas under the Area Redevelopment Act. There are two main types of such areas: Section 5 (A) areas, characterized by high and persistent unemployment, and Section 5 (B) areas which have high percentages of low income families. Redevelopment areas have lower percentages of persons with high educational attainment than does the rest of the country. (Chart 3). This difference is especially marked at the college level.

⁴ Donald J. Bogue, *The Population of the United States*, 1959, Chapter 15, "Internal Migration and Residential Mobility".

Chart 2 Past Mobility by Education for Heads of Families Under 35

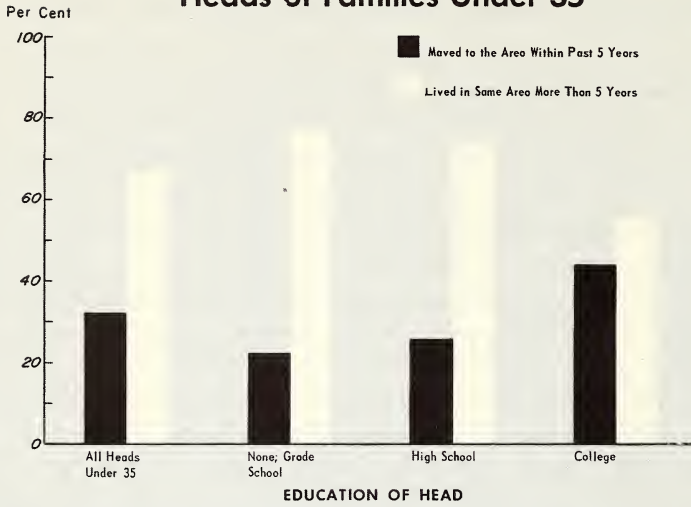
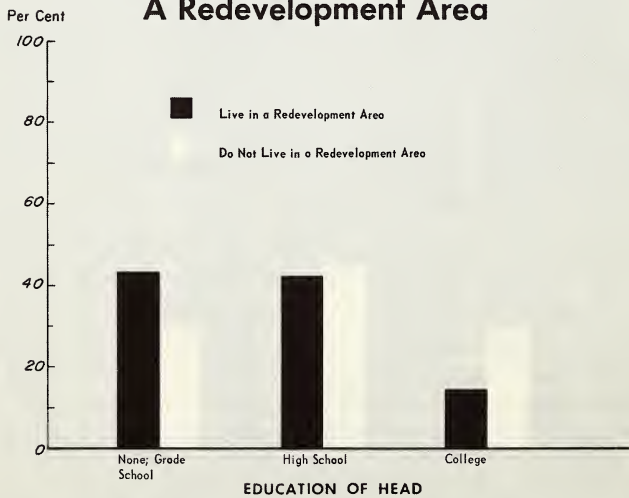


Chart 3 Education by Whether Living in A Redevelopment Area



B. Unemployment and Mobility

In this study most heads of families who are wage or salary earners (83 percent) report that their work is steady and unemployment is not for them a common occurrence. Some, however, do report unemployment of varying frequency. Do people who are intermittently unemployed differ in mobility history from those whose work is steady? The answer is that as far as past mobility is concerned, those heads of families who have been frequently unemployed do not differ greatly in mobility from the others:

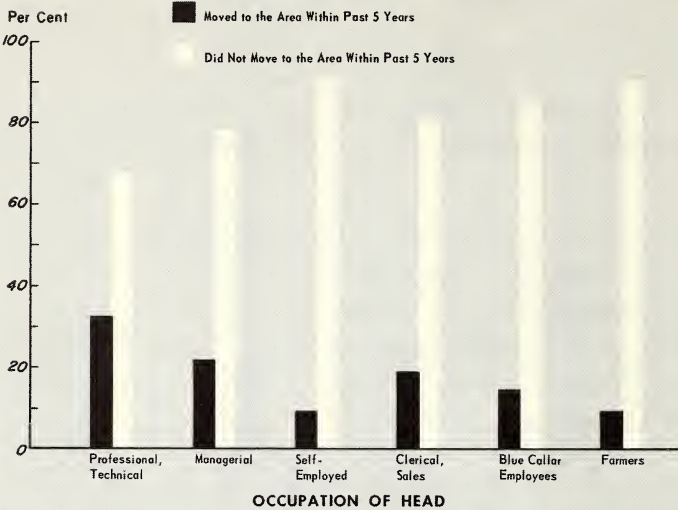
<i>Unemployment Experience</i>	<i>Percent Who Moved in Past 5 Year</i>
Usual; every year; seasonal	23
Unemployed every few years	19
Short spells usual, not long spells	22
Very unusual; work is steady	19
All heads of households	19

The lack of any relation between current unemployment experience and past mobility conceals the fact that some moves are made because of unemployment. Past unemployment may have caused people to move. About 6 percent of all recent moves, people report, were triggered by loss of a job, and altogether 18 percent were made to avoid unemployment and obtain steadier work. Thus, unemployment is the reason for about one move out of five. Another way to state the same result is that about one percent of the population move in a year because of unemployment. The finding that people sometimes move because of unemployment is, of course, far from novel. Bogue, for example, reports in 1957-58 mobility rates for employed males over 14 years of age of 6.1 and for unemployed of 11.7. It is important to specify the time period. During the depression years 1935 to 1940 unemployed persons were less mobile geographically than others in the labor force.⁵

The potential relation between unemployment and mobility may be approached in another way by considering the willingness of heads who have been unemployed to move to take a job. This topic is discussed in a latter section of this report.

⁵ Bogue, *The Population of the United States*, op. cit., p. 383. See also the discussion of the relation between unemployment and mobility in Gladys L. Palmer, *Labor Mobility in Six Cities*, 1954, c. p. 90. Total interstate migration rates were low during the Great Depression. See Shryock, op. cit., p. 101.

Chart 4 Past Mobility by Occupation



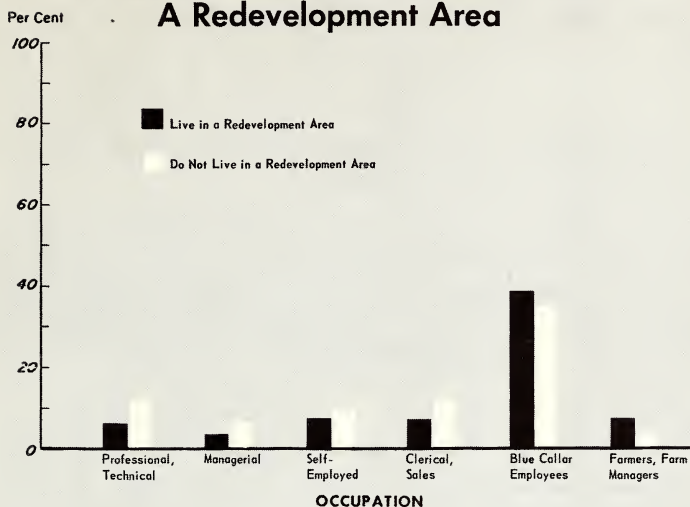
C. Economic Characteristics Associated with Mobility

Chart 4 illustrates the relation between mobility in the past five years and occupation. The most mobile occupational groups are professional and technical workers and managerial employees. Self-employed people seem to be the least mobile; blue collar workers and farmers also tend to have low rates of mobility.

Redevelopment areas have fewer professional, technical and managerial workers, but more blue collar workers and farmers. The prevalence of the latter occupational groups coincides with the finding of lower educational levels in redevelopment areas. Low status occupations and low educational levels tend to reduce the mobility of inhabitants of redevelopment areas.

Income does not seem to be associated with past mobility except in one respect. People with very low incomes, under \$2,000 a year, are less likely to have moved since 1950. Otherwise there are no real differences

Chart 5 Occupation by Whether Living in A Redevelopment Area



in past mobility from one income group to another. The relation between economic pressure and mobility has been shown in studies of the relation between the economic level of an area and the volume of movement. Level of living indices are shown to be related to mobility, for example, in the work of Bogue, Shryock and Hoermann.⁶

Of heads of families who moved in the last five years, 30 percent owned or were buying their homes. This percentage is about half the proportion of home owners in the population at large. It seems, therefore, that home owners are less likely to move. This decreased likelihood is understandable in view of the youth of the movers, who have not had time to buy homes, as well as the problems involved in selling a home before moving. Home ownership is another tie to the community in which one is living.

⁶ *Subregional Migration in the U.S., 1935-1940, Vol. 1: Streams of Migration Between Subregions*, 1957, p. 73.

D. Patterns of Mobility

The main streams of movement of population within the United States have persisted over remarkably long periods of time. There has been the movement West, which has continued since the early settlements, the movement from the South to the North, and the movement from the rural areas to the cities. To these three might be added the movement from the cities into the suburbs and adjacent areas, which is not so much a flow between labor market areas as an expansion of the boundaries of the urban labor markets.

A national sample survey such as that reported here is especially well adapted to summarizing the cumulative results of the farm-urban movement. Twenty-three percent of the family heads included in this study had migrated from a rural to a metropolitan area. Another 6 percent had moved from a rural area to a town:

<i>Farm-Urban Mobility</i>	<i>Percent of Heads</i>
Farm-metro area migrants	23
Farm-town migrants	6
Residents of urban area, never lived on a farm	48
Residents of rural area	23
	—
Total	100

Altogether nearly three out of ten heads of families have been involved at some time in their lives in this major shift of the population.

It is less easy to select individuals involved in the movements West or North; moves may start from any point in the country and go in any direction, and there is much movement in opposite directions.

People who move may also be classified according to how often they move. About one-third of all moves made between 1950 and 1962 were by people who had lived one year or less in the location they were leaving. This frequency of repeated moving seems high in comparison to some earlier results. In a study of migration in the 14 months after V-J day, the Census estimated that of 10.7 million people who moved, 10 percent moved more than once.⁷ Of the 90 percent who moved only once during those particular 14 months, however, some may have moved just prior to that period. Apparently once people have moved, subse-

⁷ *Current Population Reports*—P. 20—No. 4. Cited by S. Kuznets, et. al., *Population Redistribution and Economic Growth, U.S. 1870-1950, Vol. I.*

quent moves are easier: they have had experience with all the arrangements entailed in moving, and they probably find it less painful to cut community ties than in the original instance.

Another finding of this survey which indicates that moving has a repetitive nature is the proportion of moves reported that were returns to areas of former residence. About one-fourth of all moves since 1950 were such returns:

<i>Whether Move Was a Return</i>	<i>Percent of Moves Since 1950</i>
<i>Move was a return</i>	26
To birthplace	9
To place lived as of January 1950 other than birthplace	13
To place lived after January 1950	3
To place visited as student or serviceman	1
<i>Move was not a return</i>	74
	—
Total	100

These returns, in one sense, cancel out other moves. It would be unjustified, however, to view a return move as evidence that the original move was a mistake. People may return with new knowledge and new skills which they learned while they were away. For example, moves to attend a college or university are ordinarily undertaken with the expectation of such an outcome. Transfers of personnel by a private company from one office to another may have the same intent.

THE PROCESS OF MOVING

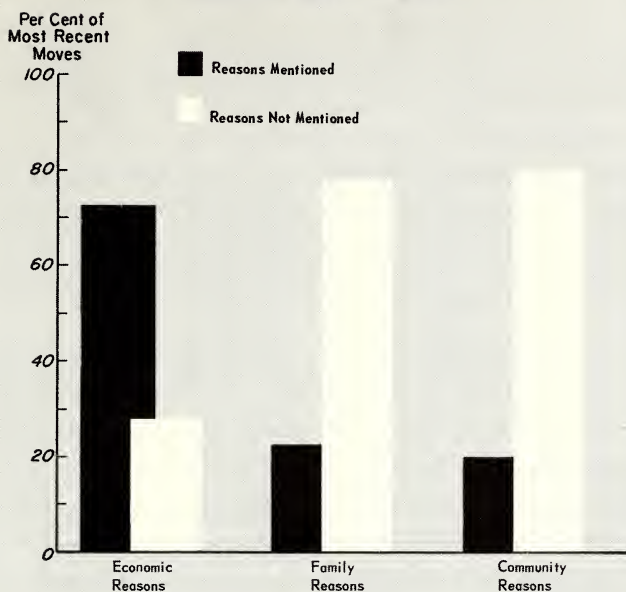
Studies of the characteristics of movers and the frequency of moving provide information only indirectly about the process of moving. It is also possible in sample surveys to investigate directly the reasons for moving, the decision to move, the sources of job information and how jobs are arranged, the willingness of the employed to move, and the consequences of moving. On all of these topics this survey provides information not previously available from a national study of mobility.

A. Reasons Given for the Most Recent Move

The direct approach to the problem of understanding the motives for moving is to ask people who have moved why they did so. The reasons people give fall into three broad categories: economic and occupational reasons, family reasons, and community reasons. Of the three, economic and occupational reasons are by far the most important in the opinion of the respondents; they were mentioned in explaining 73 percent of the most recent moves of those who had moved within five years (Chart 6). For six moves out of ten, economic and occupational reasons are the only ones mentioned. It would have been surprising if economic and occupational reasons had not been dominant. It is, perhaps, more remarkable that one move out of four is explained on noneconomic grounds.

Economic and occupational reasons: Looking at the economic and occupational reasons in more detail, 18 percent of all most recent moves involved obtaining steadier work or moving because of unemployment. Sixteen percent of the most recent moves were due to transfers and reassignments (excluding military transfers). Seventeen percent of the moves were to obtain a better or higher paying job. Thus, there are three basic types of economic reasons for moving which are of roughly equal importance: moves related to unemployment, transfers, and up-grading moves. In addition, 12 percent were due to starting or

Chart 6 Reasons Mentioned for the Most Recent Move



leaving school or military service. The remaining moves involving economic reasons were for a variety of reasons, for example, the cost of living or taxes.

Community reasons: About 20 percent of all most recent moves involved community reasons in some way. In discussing the positive qualities of the community to which they moved, people stressed in about equal amounts the general advantages of the community (“it’s a good place to live”), and the specific attractiveness of the community to them because their family had lived there, or because of their feeling for “their old home town”, or their personal liking for the place. A few people (3 percent) mentioned the repulsive qualities of the community they had left behind.

Family reasons: Family reasons are mentioned in about 22 percent of the most recent moves. Most of these moves were made to be closer to relatives, either out of a general desire to be near relatives, or because

of health considerations, or a death in the family. About 4 percent involved a desire to get away from someone, as in a divorce or separation.

Differences in reasons for moving among sub-groups of the population: Few people over 65 move to a different labor market area. For those who do move, occupational considerations are unimportant. Two out of three, however, move for family reasons, including considerations related to the health of a member of the immediate family. Health of the immediate family is a factor in only about 3 percent of moves of people under 55.

There are considerable differences in the reasons for mobility from one level of socio-economic status to another. Taking number of years of education as an indicator, the proportion of people who moved in the last five years who did so for family reasons declines as level of education rises:

<i>Level of Education of Head of Family Who Moved</i>	<i>Percent Who Moved for Family Reasons</i>
Grade school or less	39
Attended high school	37
Attended high school, also other non-academic training	27
Completed high school, also other non-academic training	39
Completed high school	25
Attended college	24
Completed college	11

The total number of moves increases with education, as previously shown, but the proportion of moves which are at least in part for family reasons falls from 39 percent for the poorly educated to 11 percent for the college graduates.

The direction of this relationship may be surprising. One might have thought that the people of low education would be forced to think only of economic considerations while the well educated could afford the luxury of moves for non-economic reasons. A more correct view may be that people of low education lack the occupational reasons for moving since their economic opportunities are limited in any case, while they do respond to other considerations.

In this connection moves by people who have been unemployed are especially relevant:

<i>Unemployment Experience</i>	<i>Percent by Reasons for Moving</i>			
	<i>Economic</i>	<i>Family</i>	<i>Community</i>	<i>N</i>
Unemployed <i>before</i> the move only	96	11	11	27
Unemployed <i>after</i> the move only	57	52	38	21
Unemployed <i>both</i> before and after	84	32	26	19

The numbers of observations on which these percentages are based are small (see the last column), but the pattern makes sense. Almost all of the people who were unemployed before the move but not after, moved for economic reasons. Few of them mention family reasons or community reasons. People who were unemployed after the move only are much less likely to have moved for economic reasons. For them family reasons, mentioned by 52 percent, or community reasons (38 percent) were dominant considerations. People who were unemployed both before and after are interesting because it appears they had little real economic choice. Many of them mentioned family reasons (32 percent) or community reasons (26 percent) for making a move.

B. Making the Decision to Move

There is much variation in the length of time people spent considering whether to move. According to people's recollections of how long they had been "seriously thinking of moving," the median length of time was about three months, but one move in three was considered for a year or longer.

About half the moves in the past five years were made as a result of a specific event which caused people to move at a particular time. As shown below the most frequent "triggering events" were transfers and job offers:

<i>Triggering Event</i>	<i>Percent of Most Recent Moves</i>
Job offer	17
Transfer	16
Loss of job	6
Retirement; illness	3
Graduation; completion of military service	6
Change in family composition	6
None of these mentioned	46
	—
Total	100

About half the moves, however, seem to have taken place without the occurrence of any specific event that made people decide to move just at that time.

C. Sources of Job Information and How Job Was Arranged

Finding a job in the new labor market area is of obvious importance to heads of families, (Job transfers are excluded from this discussion.) During the interview people who had moved were shown a list of possible sources of information about jobs in the new area and were asked which sources they had used and which were helpful. Twenty-eight percent reported receiving useful information from friends or relatives; this was the single source mentioned most frequently (Chart 7). Studies of local labor market areas invariably emphasize the importance of these personal sources of information. The next largest group, 21 percent, made a special trip to the new area before the move to look over the job situation. Only 1 percent of the family heads made use of the state employment agency.

Chart 8 is based on those who sought and eventually obtained new jobs and were employed by a new employer after their most recent move. Of this group about 61 percent had their jobs arranged before the move, while about 39 percent arranged the job after moving. Most people do not move to a new area and then seek work; they move only after they have arranged a job.

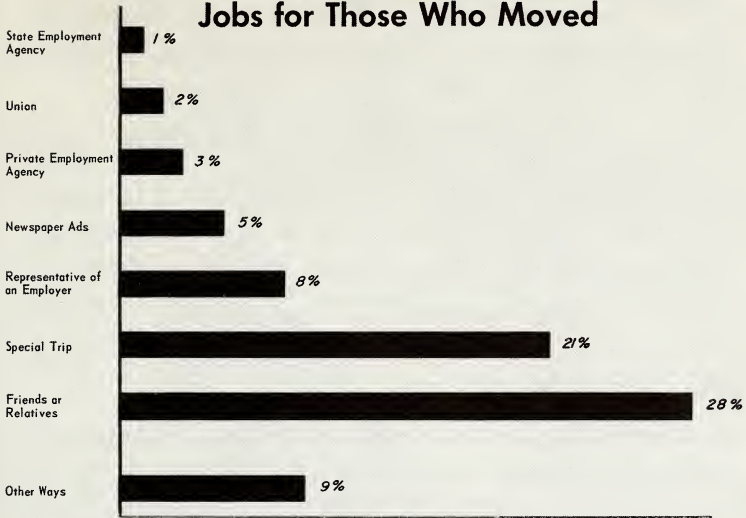
D. Willingness of the Unemployed to Move

There are two possible interpretations of the attitude of the unemployed toward mobility. They might be willing to move if they knew they could obtain a job by moving, or they might be reluctant to move even if a job were assured. To find out what the unemployed themselves have to say on the subject, heads of families who had been unemployed at any time within the last twelve months, were asked whether they would accept a steady job more than a hundred miles away. (This distance was used as it would usually mean that the workers would have to move to take the job.) About half said that they would be inclined to take the job (Chart 9).⁸ Not all of the people who were asked this question were in economic distress. Many were back at work even though they had been unemployed during the year. No doubt the proportion ready to move would be higher among those who believe unemployment is likely to be a serious and recurring problem.

The reasons people themselves gave for *not* taking the hypothetical job are shown in the bottom part of Chart 9. Although economic considerations are mentioned, family and community reasons predominate.

⁸ This result is consistent with the findings of a study of a major plant shutdown in Auburn, New York. Of former workers at the closed plant 58 percent said they would be willing to move away. See Leonard P. Adams and Robert L. Aronson, *Workers and Industrial Change: A Case Study of Labor Mobility, 1957*. In this study friends and family were ranked first and home ownership second as reasons for not being willing to leave.

Chart 7 Sources of Useful Information About Jobs for Those Who Moved



PERCENT WHO REPORT THEY OBTAINED USEFUL INFORMATION FROM EACH SOURCE

Chart 8 Whether Job Was Arranged Before or After Move



Evidently these considerations outweigh any economic advantage that might be obtained from a steady job. Thus, the problem of trying to encourage unemployed people to move is not merely one of assuring them a job and financial security. The cutting of family and community ties is something many people—including the unemployed—are reluctant to do.

How do these results relate to recent economic discussions of the causes of unemployment? They suggest that there is considerable but not unlimited geographic flexibility in the labor force with regard to the mobility of the unemployed. Perhaps half of the unemployed would move to get work if their services were in demand at a distance. There would remain others, however, who would at best be reluctant movers.

E. Consequences of Moving

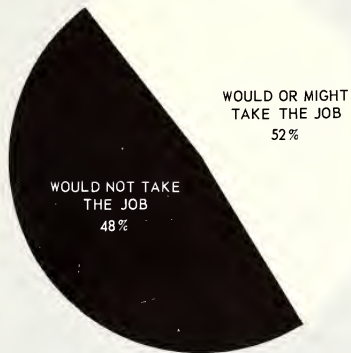
The consequences of past moves can be evaluated by asking people questions about their situation before and after the move. About 11 percent of family heads who moved to new areas were unemployed before the move but not after. About as many heads were unemployed after the move. As already discussed, many of the latter group moved for non-economic reasons.

Most family heads earned more after the move, and a majority liked their work better after the move, as one would expect in view of the importance of upgrading as a motive for moving:

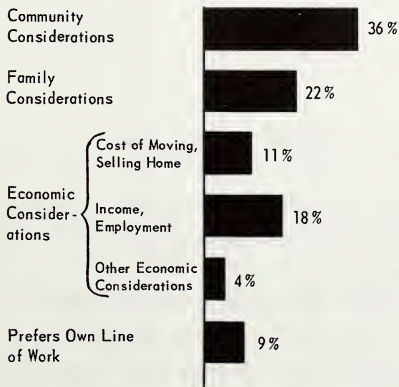
<i>Consequence of Move</i>	<i>Percent of Family Heads Who Moved</i>
Unemployed before move, not after	11
Unemployed after move	13
Raised earnings	43
No change	10
Lowered earnings	16
Likes work better	47
Likes work about the same	21
Likes work less	13

When people were asked to give an over all evaluation of their moves, better than eight out of ten said that the move had been a good idea. About six out of ten mentioned economic or occupational reasons for the positive evaluation, while the others cited family or community reasons. Once again these replies make clear that while mobility is primarily economic it cannot be interpreted exclusively in economic terms.

Chart 9 Whether Heads of Families Who Have Been Unemployed Would Take a Steady Job 100 Miles Away From Home



Reasons Why Family Heads Who Have Been Unemployed Would Not Take the Job



THE MOBILITY OF PEOPLE IN REDEVELOPMENT AREAS

A. Past Mobility of Family Heads in Redevelopment Areas

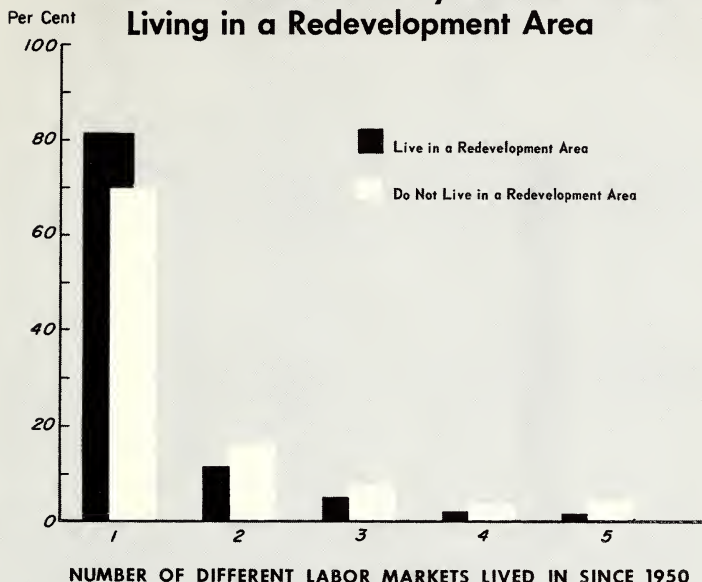
Redevelopment areas are of special interest in a study of mobility. One would expect these areas to be places which have been characterized by out-migration. A cross-section sample, therefore, should turn up relatively few people who have moved into these areas.

The data collected in this study do indicate that family heads living in redevelopment areas at the time of interview were less likely to have moved since 1950. Nineteen percent have moved, compared with 29 percent of those not living in such areas. Seven percent of those in redevelopment areas have lived in three or more labor market areas since 1950 compared to 14 percent of the rest of the population (Chart 10). These differences are in the expected direction. Nevertheless, it is worth emphasis that there is considerable migration into these areas. Two out of ten heads of families did move into the redevelopment areas where they now live after 1950.

B. Willingness to Move

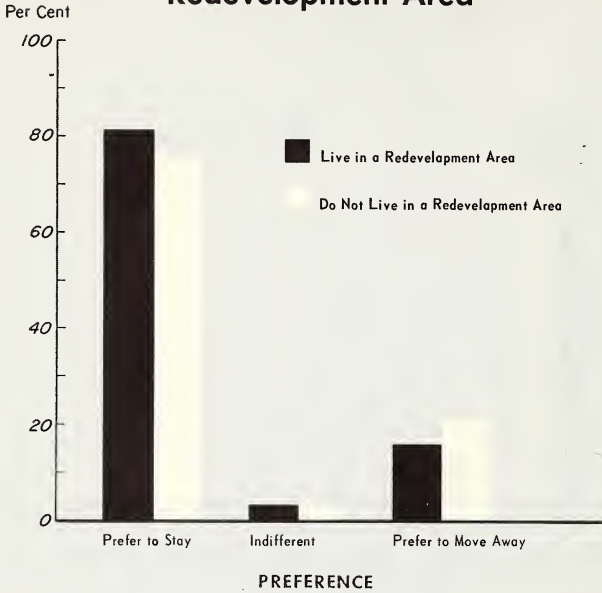
Considering people now living in redevelopment areas, is there a willingness or desire on their part to move in the future? On the surface, it might seem that people in redevelopment areas would want to move, that it would be economically advantageous to do so. However, when respondents were asked whether they wanted to stay or move, it turned out that fewer of the families living in redevelopment areas than in other areas wanted to move (Chart 11). About 80 percent of redevelopment area families want to stay where they are, compared to about 76 percent of the rest of the population. It thus appears that there is no great desire for mobility on the part of people now living in redevelopment areas. Presumably the people who were most willing to move away are the ones who already have departed.

Chart 10 Number of Different Labor Market Areas Lived in Since 1950 by Whether Now Living in a Redevelopment Area



One final set of considerations related to the mobility of those in redevelopment areas has to do with the relation between public welfare and mobility. In this investigation questions about public welfare were asked only of those with family incomes below \$4000 a year: those respondents who said that they had received welfare, aid, or assistance from the state or local government at some time since they were aged 18 were asked the approximate number of years they had received such assistance. Of those who have received aid for a total of five years or more, practically none have moved to a new labor market area. Only 2 percent report having moved since 1950, compared to 29 percent of the general population. The mobility of those who received public assistance for a year or less is close to that of the population at large. Long-term public welfare cases are unlikely to move (Chart 12).

Chart 11 Preference Regarding Location by Whether Now Living in a Redevelopment Area



Note - about 20% prefer to move away which approximates the 20% migr. rate.

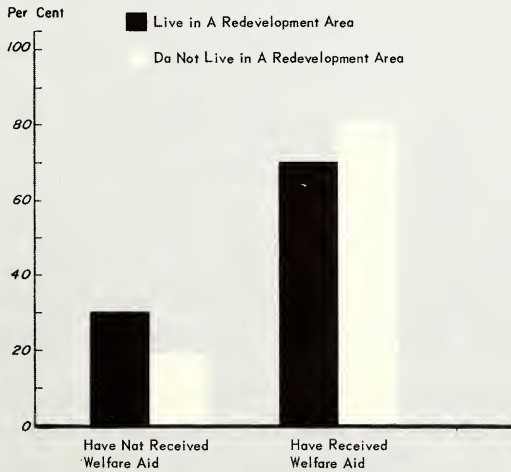
The bottom half of Chart 12 shows that redevelopment areas have a higher proportion of welfare recipients than do non-redevelopment areas. This finding is consistent with the lower income, educational, and occupational levels of the people in redevelopment areas. Migration out of the areas is selective. The young people with good educations leave, and the public welfare cases stay.

It seems, then, that the residents of the redevelopment areas tend to have those characteristics associated with low rate of mobility. The presence of these characteristics helps explain why people remain in the redevelopment areas even though there is reduced economic opportunity there.

Chart 12 Past Mobility by Total Number of Years Received Welfare Aid Since Aged 18



Whether Received Welfare Since Aged 18 by Whether Living in a Redevelopment Area



CONCLUSIONS

This project was not intended to be a general inquiry into the problems of economic policy with regard to depressed areas. It is concerned only with some aspects of the supply side of the labor market. In some respects, however, the findings do seem to the authors to have implications for policy. No claim of novelty is made for these conclusions.

At the most general level there are two strategies for the improvement of the economic conditions of people in depressed areas. The choice is between encouragement of out-migration and efforts to raise the level of economic activity within the areas. These strategies are by no means mutually exclusive: The practical questions concern relative emphasis.

A contribution of this research to the choice of strategy is in indicating limitations of a policy of encouraging out-migration. Up to a point all that is needed is a high level of employment in the economy as a whole. Certain groups in the population move easily, primarily the young and especially young people with a good education. Other groups in the population, however, move with more difficulty. It may be helpful to think of people as ranked on a continuum of willingness to move. At one end are people who move easily. As one moves along the continuum one comes to people for whom moving to a new area is a step to be undertaken with more and more reluctance. The barriers are in part economic, such as home ownership and the cost of moving, but they are in part non-economic. People have emotional attachments to friends and relatives as well as to communities, and these feelings influence their willingness to move. These attachments appear to be at least as important for people of low socio-economic status as for the people of higher

status, and they often become stronger as people grow older. It seems reasonable to infer that a high mobility rate among people over 35 with a low level of education can be achieved only by some form of strong pressure. One may well be reluctant to urge application of that pressure. The prospects are, therefore, that in a community from which rapid emigration is taking place an aging population will be left behind—unless a shift in the economic situation reverses the flow. Examination of the possibilities of migration, thus, leads to the view that while it is most useful as a form of adjustment of an excess labor supply, it is not a mechanism which can easily wipe out large maladjustments in a short period of time.

The fact that migration selects the young people with good educations is not a new finding of this research, but it is here confirmed again. This fact has important economic consequences. It implies that there is an export of social capital from the poor areas to the rest of the country in the form of the money invested in the education of the people who leave. The export of trained personnel from relatively poor sections to relatively rich sections of the country is an economic anomaly. Should not the country at large pay a substantial share of the basic cost of the education of these people? This question was less urgent say, fifty years ago, when the average level of education in the country was lower, but it becomes important as the investment in education rises.

Federal support for education in depressed areas could contribute to the improvement of the quality of the labor supply in those areas. To the extent that the people involved remain in the areas, they will contribute to the economic development of the areas. The better the quality of the labor force in an area, the greater the economic potential of the area. To the extent that the people involved move away from the depressed areas after they are educated, they will make a greater contribution elsewhere. A policy of support for education may in the end facilitate migration, but it does not prejudge the question of whether people should migrate. The decisions concerning location are left to the working of the market and the choice of the people themselves. What is here proposed is not short run training courses, though these have value, but contributions to the cost of the improvement of the quality and raising of the general level of education of young people.

A second basic aspect of labor market policy concerns the allocation of the existing labor force at any given date. The criterion of economic efficiency requires that workers be distributed among jobs in such a way as to maximize the potential total output of the economy. The problem is in part a simple geographical matching of people and jobs. If there are more workers than jobs in one area and more jobs than

workers in another, there is at least a preliminary indication of inefficiency. This research, however, emphasizes the importance of adjustment within the sub-markets for particular skills in particular areas. The importance of this adjustment is shown indirectly by the fact that it is primarily people with more than a minimum degree of education who move. Also, the fact that one head of a family in five in redevelopment areas moved *into* the area where he lives since 1950 should not be taken merely as indicating that some people move where they are not needed from an economic point of view or that labor requirements in an area may change from one year to another. It is also indirect evidence that redevelopment areas do participate to some degree in the constant movement of trained personnel which is a normal part of the functioning of an economy with a highly developed division of labor.

Efficiency in the geographic movement of labor across the boundaries of depressed labor market areas means efficiency in regard to a two-way flow. The right movements must take place *into* the areas as well as *out* of the areas. What is required is a general improvement in the efficiency of the adjustment mechanism, which in turn requires that people be informed about economic opportunities at a distance. At present people who move may obtain job information from friends or relatives, but as often as not it is general information about the job situation rather than specific knowledge about the jobs people eventually take. The only other form of acquiring useful information prior to a move used successfully by as many as one mover in ten is a special trip to the new location. There is a need for general strengthening of the institutional arrangements for provision of information about jobs at a distance, especially the public employment agencies. A policy of improving the flow of labor market information and thereby improving the allocation of the labor supply should parallel the policy of improving the quality of the labor supply in the depressed areas.

APPENDIX

A. Sampling Methods

The basic samples used in this study were selected to represent cross-sections of the population living in private households in the continental United States. Transients, residents of institutions, and persons living on military reservations are not included. A probability sample of dwelling units was drawn according to standard procedures used at the Survey Research Center. Once a family was selected for interview the head of the family or the wife of the head was designated as the respondent on a random basis.

For this study it was necessary to obtain a representative sample of households in redevelopment areas in addition to the basic national cross-sections. The procedure followed was to divide the depressed areas into 25 strata of roughly equal size. The initial basis for stratification was the distinction between Section 5 (A) and Section 5 (B) areas. An attempt was made to keep the strata as homogeneous as possible with regard to economic, industrial, and population concentration characteristics.

The combination of interviews from the basic cross-sections with the special added interviews required the use of weights. Therefore, all tabulations shown herein for redevelopment areas are on a weighted basis.

B. Sampling Errors

Survey findings are subject to errors from three main sources: (1) sampling variability; (2) failure to obtain interviews at some of the selected dwelling units; (3) inaccuracies in the information supplied by respondents.

Since the sample used was a probability sample, it is possible to estimate the range of error due to the fact that only a part of the population was contacted. The approximate sampling errors of percentages are shown in the following table.

APPROXIMATE SAMPLING ERRORS OF PROPORTIONS

(Expressed in percentages)

For most items the chances are at least 95 in 100 that the population value lies within a range equal to the reported percentage plus or minus the number of percentage points shown below.

<i>Reported percentage</i>	<i>Number of interviews</i>							
	<i>3000</i>	<i>1000</i>	<i>700</i>	<i>500</i>	<i>400</i>	<i>300</i>	<i>200</i>	<i>100</i>
50	2	4	5	5	6	7	9	12
30 or 70	2	4	4	5	6	6	8	11
20 or 80	2	3	4	4	5	6	7	10
10 or 90	1	2	3	3	4	4	5	7
5 or 95	1	2	2	2	3	3	4	

The sampling error does not measure the actual error that is involved in specific survey measurements. It shows that—except for nonsampling errors, errors in reporting, in interpretation, etc.—differences larger than those found in the table will arise in only 5 cases in 100.

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